



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 29, 1999

H.R. 2014

**A bill to prohibit a state from imposing a
discriminatory commuter tax on nonresidents**

As reported by the House Committee on the Judiciary on June 25, 1999

H.R. 2014 would require states to provide equal treatment to both residents and nonresidents in the collection of income taxes. Federal revenues might be affected if states were to replace existing commuter taxes with other sources of revenue that had a different deductibility status for federal tax purposes. CBO has no basis for predicting the nature of such changes. CBO estimates that implementing this legislation would have no other impact on the federal budget. Because the bill could affect federal receipts, pay-as-you-go procedures would apply.

Section 4 of the Unfunded Mandates Reform Act excludes from application of that act any legislative provisions that enforce the constitutional rights of individuals. CBO has determined that H.R. 2014 fits within that exclusion.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.